

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 1243 - HB 1281

March 13, 2013

SUMMARY OF BILL: Prohibits the state from selling property owned or held by the state developmental centers and controlled by the Department of Intellectual and Developmental Disabilities (DIDD) that is not in use at less than fair market value to political subdivisions of the state. Prohibits political subdivisions having the first right of refusal to purchase the property. DIDD may sell the property by public sale under a system of competitive bidding at not less than fair market value. Following the receipt of bids, DIDD may offer and sell the property at not less than fair market value to any political subdivision of the state if the political subdivision offers the highest responsive bid when compared to the bids received from the public sale. The property may be sold under regulations promulgated to ensure that such property is put to its highest and best use. The property must be conveyed to the purchaser offering the highest responsive bid. Except as otherwise provided by the bill, the procedures for selling or leasing the property must be those required by law and the State Building Commission for other state-owned real property.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- Tenn. Code Ann. § 12-2-117(e) requires that funds received from the sale of DIDD property to be deposited in a special trust for the purposes of planning and developing intellectual disability programs. The proceeds from a sale or lease of property cannot be used to supplant DIDD's current level of funding in a proposed budget.
- According to DIDD, the bill will not affect the programs or operations of the Department. The fiscal impact of the bill will be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise".

Lucian D. Geise, Executive Director

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